

Caleb Burns Comments on Shareholders' Push for Lobbying Disclosures

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Caleb P. Burns, a partner in Wiley Rein's Election Law & Government Ethics Practice, was interviewed by *American Banker* for a January 24 article about a proposal by activist investors to require Visa to disclose detailed information about its lobbying activities.

Two liberal investor groups are targeting the credit card network over its ties to a conservative group that lobbies at the state level, *American Banker* reported. Visa is urging its shareholders to reject the proposal.

The measure is similar to investor proposals submitted recently at other companies, Mr. Burns said. The lobbying disclosure requests follow earlier efforts by activist shareholders to require companies to disclose more information about their campaign-related expenses, he said.

Visa has made a strong case for why it should not release detailed information to the public about its lobbying activities, according to Mr. Burns, who said he is not aware of lobbying disclosure proposals being approved at any other company.

"It's sensitive, it's competitive, and it's in the best interest of everyone associated with the company, shareholders included, to keep that in the hands of management, subject of course to board oversight," Mr. Burns told *American Banker*. "Short of some sort of accusation that the company is engaging in activities that are not in the best interest of the shareholders, it's lost on me as to why the shareholders are asking for disclosure of this information, as opposed to any other information."

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Still, the activists' efforts are having an impact, with the campaign spending proposals gaining support from more shareholders over time, and some companies voluntarily complying with the groups' requests, Mr. Burns said. More U.S. companies are taking the political disclosure issue seriously, "not because they think they've got something to hide, but because this could serve as a precedent for shareholder demands for public disclosure of all kinds of information."